Tourism British Columbia

ANNUAL REPORT 1985/86

The Honourable Bill Reid
Minister of Tourism

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To the Honourable R. G. ROGERS
Lieutenant-Governor of British Columbia

May it Please Your Honour:

I have the honour to submit to you the Annual Report of the Ministry of Tourism for the fiscal year ended March 31, 1986.

BILL REID
Minister of Tourism

To the Honourable BILL REID
Minister of Tourism

Sir:

I am pleased to submit to you for your consideration the Annual Report of the Ministry of Tourism for the fiscal year ended March 31, 1986.

MICHAEL HORSEY
Deputy Minister
Ministry of Tourism

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Tourism can now legitimately be considered the second most important industry in British Columbia. It is a major player in the economic life of this Province, responsible for approximately 5% of the gross provincial product in 1985, with revenues of $2.4 billion, an increase of 3.51% over 1984.

Tourism is an industry unlike British Columbia's traditional major economic sectors of forestry and mining. It is small business personified, consisting of over 10,000 individual businesses employing some 105,000 British Columbians.

The tourism industry reflects the major economic shift of the past decade — the move from resource-based to service sector economies — and British Columbia is well positioned to play a major role within this new framework.

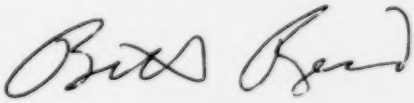
Bill Reid
Minister of Tourism

The future for tourism in British Columbia couldn't look better. Expo 86 is a great success. The rave reviews are in from all over the world. Expo is bringing millions of visitors to British Columbia. I have no doubt at all that, having once visited B.C., the vast majority of these visitors will realize how much we have to offer and will return to visit us again and again. I know that 1986 will be hard to beat, or even match, but I am confident that the impetus provided by Expo will serve us well in the years to come.

California is a good example. California represents a 25 million person market almost on our doorstep. Expo 86 and the promotional campaign which preceded it have given British Columbia an unprecedented profile in the California market. We intend to maintain and build on that high profile.

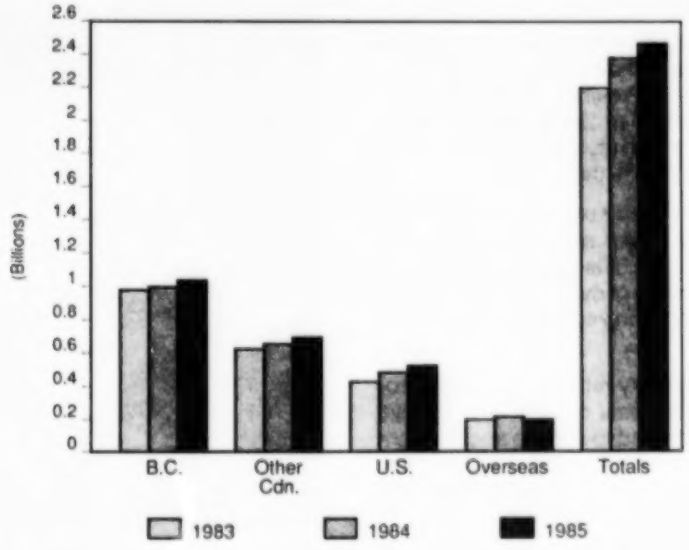
The tourism industry in British Columbia is becoming better organized and more professional each year. With the strong organizational base provided by the nine regional tourism associations and the Tourism Industry Association of British Columbia and the high degree of cooperation between these groups and Tourism B.C., the private sector is well represented in the ongoing planning and implementation of tourism programs.

I am very pleased with the performance of the industry and with the performance of my Ministry and staff. Our existing programs such as Partners in Tourism have been highly successful, and new efforts such as the Travel Information Network are being met with great enthusiasm. Our consumer research, professional marketing and development plans and the continuing very real partnership between the public and the private sectors mean an exciting and prosperous future for British Columbia's tourism industry.



Bill Reid
Minister of Tourism

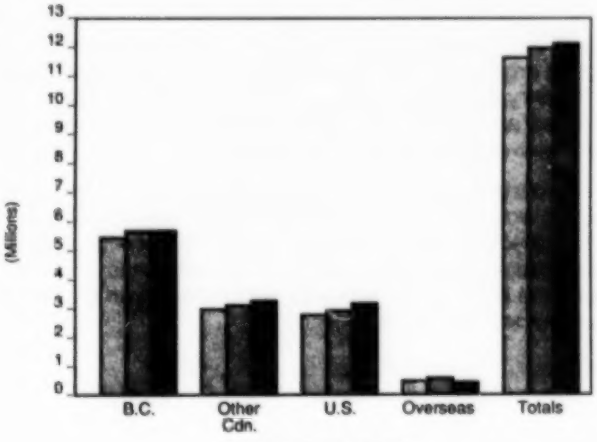
REVENUE



REVENUE ($000,000)

	1983	1984	1985
B.C. Residents	955	995	1,019
Other Canadian	610	665	694
United States	415	470	508
Overseas	175	195	185
TOTAL	2,155	2,325	2,406

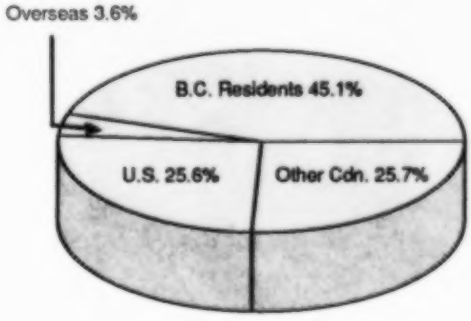
NUMBER OF VISITORS



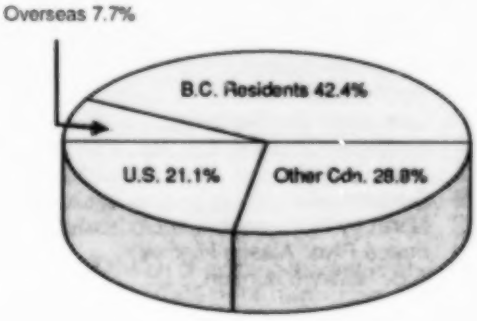
VISITORS ('000)

	1983	1984	1985
B.C. Residents	5,550	5,600	5,600
Other Canadian	3,010	3,160	3,190
United States	2,795	2,970	3,180
Overseas	445	470	446
TOTAL	11,800	12,200	12,416

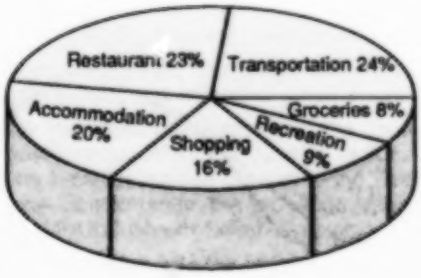
VISITORS BY MARKET AREA



REVENUE BY MARKET AREA



EXPENDITURE BY TYPE



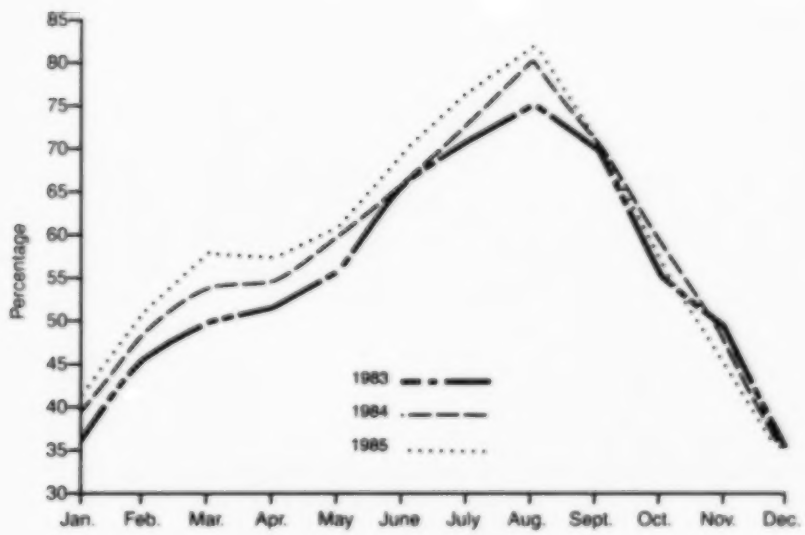
PER DIEM EXPENDITURE, AVERAGE LENGTH OF STAY AND EXPENDITURE PER PERSON-TRIP BY ORIGIN OF VISITOR

	Per Diem	Average Stay	Expenditure Per Person-Trip
	$	(Days)	$
B.C. Residents	45.50	4.0	182.00
Other Canadian	32.00	6.8	218.00
United States	38.00	4.2	160.00
Overseas	41.50	10.0	415.00
AVERAGE	39.50	5.0	244.00

REGIONAL MARKET SHARE

		Revenue ($'000,000)	Percent of Total	Person-Trips ('000)	Percent of Total
A	Vancouver Island	522	22	2,500	20
B	Southwestern B.C.	792	33	3,670	30
C	Okanagan Similkameen	287	12	1,585	13
D	Kootenay Country	98	4	554	4
E	High Country	216	9	1,473	12
F	Cariboo	94	4	505	4
G	North by Northwest	190	8	833	7
H	Peace River Alaska Highway	63	2	306	2
I	B.C. Rocky Mountain	144	6	990	8
	TOTAL	2,406	100	12,416	100

HOTEL OCCUPANCY RATES
1983, 1984, 1985



Source: Pannell, Kerr, Forster Management Consultants

Michael Horsey
Deputy Minister

The reorganization of Tourism B.C. undertaken in the previous fiscal year has, I believe, proved to be a success. The four divisions of the Ministry — Marketing, based in Vancouver; Development, Public Affairs and Management Services, all in Victoria — are working together as a coordinated team and, more importantly, are working effectively with the tourism industry around the Province.

Operations were strengthened in FY 1985/86 by the restructuring of the Development Division into a more flexible unit capable of responding quickly and effectively to the needs of the industry.

The expansion of existing programs and the efficient introduction of major new ones in the past year have provided evidence of a strong organization at work.

People and Budgets: In FY 1985/86, the Ministry had 118 staff positions domiciled in offices in Victoria, Vancouver, Seattle, San Francisco, Los Angeles and London, England. As a result of continuing reorganization and for various administrative reasons, only 117 were utilized. 115 positions have been approved for FY 1986/87, and it is anticipated that the Ministry will function even more efficiently with this leaner profile.

The Ministry's budget for FY 1985/86 was $10,496,435. An additional $8,877,500 for marketing activities was set aside in the budget of the Ministry of Provincial Secretary and Government Services, Government Information Services, which administers all government advertising funds. Total monies available to the Ministry of Tourism for the year were, therefore, $19,373,935. The Ministry spent 99.5% of these funds or $19,277,438 to the fiscal year end.

Relationship with Others: I am pleased with the strengthening of the Ministry's relationship with representatives of the tourism industry and with other government ministries over the past year.

A close working relationship has been developed with the Tourism Industry Association of British Columbia, and ongoing cooperative efforts with regional tourism associations and various sectoral associations have deepened considerably. The Provincial Tourist Advisory Council is developing into a valuable forum for the exchange of information and development of ideas for the future of the tourism industry in British Columbia.

Tourism B.C. works in close cooperation with the federal government Department of Regional Industrial Expansion, primarily in connection with the administration of the Economic and Regional Development Agreement, Tourism Sub-Agreement, and on a broader scale with Tourism Canada. British Columbia had the honour of hosting the 1985 meeting of Tourism Ministers in November and used the occasion to heighten our Province's image as an aggressive and professional part of the Canadian tourism scene.

On the provincial level, working relationships have been solidified with the Ministry of Economic Development and the Ministry of International Trade, Science and Investment. Better coordination is evident in our relationship with the Ministries of Environment and Parks and Provincial Secretary and Government Services. These latter two links will become even more important in future years as cultural and parks-related tourism issues become of increasing interest.

Tourism British Columbia is now looking well beyond Expo to future possibilities for tourism in the Province. They are many. And the Ministry of Tourism is well positioned to take advantage of them.

Michael Horsey
Deputy Minister

Advertising

The Ministry emphasis in all 1985/86 advertising campaigns was to encourage visitors to come to Expo 86 and to add pre- and post-Expo "explore-the-Province" experiences to their vacation.

Emphasis was concentrated on our key markets of West Coast U.S.A., British Columbia and the balance of Canada. All marketing programs were integrated with those of Expo 86, providing a layered, efficient and effective assault on the market.

In the last quarter of 1985/86, a major magazine campaign featured pop-up and clip-out coupons to make it easy for potential visitors to get more information on B.C. In response, a copy of the *Travelling Companion* to Super, Natural British Columbia was provided, together with the *Accommodation Guide* and the *B.C. Road Map*.

Advertising initiatives in the California and West Coast areas as well as the balance of Canada were complimented by the Expo 86 Corporation television campaign. The combined efforts of Tourism British Columbia in the print medium and Expo 86 in broadcast medium were unprecedented in terms of response enquiry.

In the first three months of 1986 alone, 212,000 write-in enquiries were received directly relating to the media campaign. This more than doubled the number of written enquiries received in all of 1985.

Special interest activities were promoted through publications such as *Field and Stream* and ski publications, wherever possible in partnership with a private sector participant, such as the Whistler Resort Association.

Consumer Shows

Mounting the largest consumer show program ever, with participation in more than 30 shows and exhibitions and taking more space in major shows than in previous years, the Ministry worked closely with each of the nine tourism regions to bring British Columbia's exciting travel message directly to consumers in California, Saskatchewan, Alberta and Ontario.

Consumer promotions included major presence at shows in Anaheim, California, in January; Regina, Saskatoon, Calgary, Edmonton and Toronto during the months of February and March. The theme of the shows was Expo 86, with promotional prize packages featuring a trip to Expo 86 and other parts of the Province. By involving the private sector with Ministry presentations, British Columbia and Expo 86 were able to dominate all these consumer shows.

The Ministry, again working with the private sector, represented the Province at major outdoor shows featuring Adventure Vacations, such as the Southwest Sport, R.V. Vacation and Boat Show in Dallas, Texas in March 1986.

Expo 86/Tourism B.C. product launches were held all over North America to educate media, consumers and the travel industry alike on the benefits of a 1986 visit to British Columbia.

Publications

Your Super, Natural British Columbia Travelling Companion

This colourful 48-page publication, featuring 12 pages of information on Expo 86, was designed to facilitate the planning of vacations in every region of British Columbia. Packed with circle tours, attractions and events, 6.3 million copies were produced for response to counter and mail enquiries. Over one million copies were inserted in daily newspapers delivered to households in British Columbia, Alberta and Washington.

Regional Brochures

In keeping with the Ministry's desire to maximize Expo's benefits throughout British Columbia, full-colour brochures were produced, highlighting each of the nine tourism regions. Each brochure features information on city and country attractions, events, fishing, camping and a regional map. 400,000 copies of the Southwestern B.C. brochure were printed, along with 250,000 copies of the Vancouver Island pamphlet and 130,000 copies of each of the other seven regional brochures.

Accommodation Guide

One of the longest running and most popular Ministry publications is the British Columbia Accommodation Guide. Providing visitors with handy access to approximately 1900 accommodation establishments throughout the province, the one million copies printed are a vital service to the private sector and the travelling public.

Road Map and Park Guide

One of the most popular and heavily used publications, 1.5 million copies of this map were printed to meet continuing heavy demand.

A Winter Guide to Super, Natural British Columbia

This 32-page colour publication highlights the spectrum of winter activities in every region of the Province. 100,000 copies were produced.

Southwestern British Columbia Map

The Ministry produced 250,000 copies of this map to meet the needs of visitors exploring the Lower Mainland.

Travel Agent Package Tours

Recognized as one of the most useful forms of information for travel agents and travel wholesalers on travel packages available throughout B.C., this publication also serves, by example, to stimulate the British Columbia private sector to create innovative new products. Printing was expanded to 20,000 copies from 14,000 last year in response to increased trade sales activity by the Ministry and Expo 86.

Package Tour Shells

Designed to encourage the development of new travel packages, these colourful brochure shells are provided to tour companies, travel agents, travel wholesalers and others. The result is more colourful private sector brochures in distant markets, enhancing the possibility of success for both the tour operators and the British Columbia supplier. Approximately 200,000 copies were printed.

Convention Kit Pocket Folders

120,000 folders were produced and utilized to increase the attractiveness of British Columbia bids for convention business.

Trade Sales

Expo 86 was the focus of the most active and rewarding trade sales program the Ministry has ever undertaken. Working closely with counterparts at Expo 86, the Ministry pushed to expand the impact of the world exposition to include all of British Columbia's tourism regions.

British Columbia dominated such sales events as Rendez-vous Canada, the annual convention of the Alliance of Canadian Travel Associations, as well as annual marketplaces held by the National Tour Association, and the American Bus Association. Response to the major audio-visual presentations made at each of these events was electric as awareness of B.C. and Expo 86 as *the* travel destination for 1986 grew.

The popular publication, *Travel Agent Package Tours*, produced as part of the Trade Sales responsibility, was expanded to contain more innovative British Columbia travel packages as our private sector geared up to the challenge of Expo 86. Product awareness among the travel trade has never been higher, and new wholesalers have been exposed to the benefits of selling British Columbia to their group travel markets.

Familiarization Tours

Familiarization or product-testing tours of British Columbia help out-of-province travel industry representatives to understand better what the Province has to offer its visitors. Through a product-testing tour, the Ministry can focus attention on a specific region, attraction or city and know that the representative will return home to sell the Province knowledgeably to prospective clients.

In 1985, the Ministry's "fam tour" program was tripled to involvement in the coordination of tours for over 4,500 people to the nine tourism regions of the Province.

The thrust of the 1985 "fam tour" program was understandably related to Expo 86; however, recognizing the mandate of the Ministry to promote all regions of the Province and responding to customer interest in a "B.C. vacation", special efforts were made to expose participants to the regions and their attractions. Many groups took part in visits to Vancouver Island and Whistler, as well as longer trips throughout the Province. When a side-trip was not possible due to limited time, "mini" or "reverse marketplaces" were offered as part of the educational package. These market-places allowed participants to meet regional managers as well as private sector representatives from around the Province, who then had the opportunity to acquaint the visitors with the attractions of their area.

Some of the major travel influencers to visit British Columbia included:

— ***The National Tour Association***

Two separate visits were paid to B.C. by approximately 100 members of this prestigious U.S. organization. This program was run in conjunction with Tourism Canada and Expo 86.

— ***The American Bus Association***

Over 40 of this organization's most influential members visited British Columbia. This program was another joint effort with Tourism Canada and Expo 86.

— ***AAA Travel School***

A seven-day visit to British Columbia that included a three-day "travel school" in Vancouver and three separate fam tours highlighting various regions of the Province. Registrants included nearly 200 top American Automobile Association domestic travel agents and travel counsellors from throughout the United States and Canada.

— ***Expo 86 Media Fam***

Run in conjunction with Expo 86, the Expo Centre opening was the stimulus for nearly 70 international media representatives to join a three-day fam tour that visited Vancouver Island and Whistler.

During the course of the year the Ministry of Tourism worked closely with carriers of all kinds acquainting their agents with Expo 86 and the Province. There is no doubt that, profiting as they have from a successful 1986, these agents will continue to sell British Columbia as a tourism destination in the years to come.

Partners In Tourism

The "Partners in Tourism" program provides for matching funding of private sector-initiated tourism advertising and promotional activities. These activities, part of approved marketing plans submitted by each of the Province's nine regional tourism associations, recognize the regional nature of many of B.C.'s markets.

In 1985/86, $1.25 million was expended on this program, creating a combined total of $2.5 million in targetted marketing activities by the various regions within the Province. This was supplemented by grants of approximately $630,000 to the regional tourism associations for administrative purposes.

Approximately $3 million has been budgetted for this program in 1986/87, which could result in a $6 million marketing campaign. Administrative grants to the regional associations in 1986/87 will be increased to $670,000.

Media Assistance

In 1985, preparations for Expo 86 opened the world media floodgates into British Columbia. Tourism B.C. assisted more than 3,000 travel and business media people from around the world in preparing articles or films about British Columbia.

A media seminar was given in the spring to regional tourism managers in anticipation of this increased media interest.

Working in cooperation with the staff of Expo 86 Media Services, Tourism British Columbia Media Relations shared in the actual cost and organization of bringing hundreds of travel and special interest media into our Province.

A fresh theme was created for the press: "Worth Writing Home About, Super, Natural British Columbia and Expo 86". New media kits were developed using this theme. Fresh editorial material was commissioned and distributed to Canadian and U.S. media.

In May 1985, a major press tour was organized. Over 500 media came to view the Expo 86 site. Tourism British Columbia organized and hosted a three-day tour of Vancouver, Whistler, Nanaimo, Vancouver Island, Victoria and the Gulf Islands for approximately 70 of these travel influencers.

Among the media visiting B.C. were the Australian Society Travel Writers and the South American Travel and Business Writers. The American Society of Travel Writers Conference was held in Vancouver in June 1985. Large press tours were also received from Ontario, Manitoba and Alberta; Washington and California; the People's Republic of China, Japan, Britain, Hong Kong and the Nordic countries.

The Ministry places emphasis on media from our major market areas; however, 1985 and Expo 86 gave the Province an opportunity to introduce media from most parts of the world to the City of Vancouver and the Province as a whole.

Of particular international importance in the television area were network news teams from CBC, NBC and ABC. Major Japanese, Australian and European television crews came through British Columbia to create special travel and news features.

Representatives of such prestigious publications as the *Smithsonian*, National Geographic's *Traveler*, *Chicago Magazine*, *The Times*, London, *Esquire*, *Sunset*, *Detroit Free Press*, *Travel & Leisure*, *McCalls*, *Ladies Home Journal*, *Illustrated London News*, *Le Monde*, *Macleans*, the *New Yorker*, the *L.A. Times* and the *Seattle Times* were given assistance.

British Columbia exposure was increased by new inflight videos created by Lufthansa, Air Canada and other international air carriers.

In 1985, British Columbia's media exposure was estimated at a dollar equivalency value of more than $7½ million. As Expo 86 opens its doors in 1986, media exposure and media assistance in British Columbia should reach an all-time high.

B.C. Film Commission

The Ministry of Tourism through the British Columbia Film Commission (formerly known as the Film Promotion Office) has responsibility for attracting international film crews to British Columbia.

The role of the Commission is to:

— maintain contacts with film producers around the world;
— scout out film locations in B.C. which are appropriate to producers' needs;
— advise on the availability of local crews; and
— provide budget and production information as well as any other assistance which might encourage a producer to shoot his or her film in British Columbia.

In 1985, twenty-eight film projects (features, made-for-television movies, television series) with budgets totalling $150 million were produced in whole or in part in British Columbia. This is more than triple the previous year's total of $40 million for 15 projects.

Between 45-50% of that money — some $70 million — is spent in B.C., providing direct employment to more than 3,500 people. The total economic impact to the Province is estimated in the area of $210 million.

This does not include numerous documentaries, commercials, shorts, and rock videos produced in B.C. with budgets totalling $6 million.

Films produced in British Columbia represent some of the biggest names in the movie industry, including such stars as Marlo Thomas, Bob Hope, Sylvester Stallone, and Katherine Hepburn; directors of the calibre of Lee Grant and Bob Fosse; and production companies such as Twentieth Century Fox, HBO and Walt Disney Productions.

These luminaries of the film industry chose B.C. because of the world-class facilities, production crews and talented individuals available here. The exchange rate on the U.S. dollar didn't hurt either as word-of-mouth support continues from satisfied producers and directors.

Requests for services and information increased over 300% over the previous year.

1985 Films

*Going for the Gold
Rainbow War (Expo)
*Picking Up the Pieces
*Love Mary
*Into Thin Air
*A Letter to Three Wives
*Danger Bay
Rocky IV
The Boy Who Could Fly
*I-Man
*Love is Never Silent
*Brothers by Choice
*Bullies
Stepfather
*The Girl Who Spelled Freedom
*Stir Crazy
*The Hitchiker
April Fools Day
Discover B.C. (Expo)
Fire with Fire
*Mrs. Delafield Wants to Marry
*Nobody's Child
Highstakes
*Masterpiece of Murder
*General Hospital
Challenge BC (Expo)
Strikers Mountain

* made for television

Conventions

1985 was a banner year for Tourism B.C. in the marketing of British Columbia as a convention destination. B.C. attracted some 1,175 meetings and conventions consisting of 495,000 participating delegates. That business is estimated to have been responsible for $320 million in revenue to the provincial tourism industry, an increase of some 28% over the previous year.

Tourism B.C. has provided services through mail campaigns and service packages to over 350 of these convention groups and has also been active in establishing policies and programs for support to the private sector.

Tourism B.C. encourages the meeting and convention industry to utilize British Columbia as a venue in three ways:

(1) by marketing B.C. as a convention location;

(2) by increasing attendance at B.C. conventions through promotional mailings, the distribution of literature at prior conventions, developing pre- and post-convention tours and providing planning assistance to convention organizers; and

(3) by servicing conventions once they are here, again through the provision of literature, maps and guides, but also by facilitating arrangements such as interviews, entertainment, speakers and other such services.

Working with the private sector, the Ministry was represented at major trade market places throughout the United States and assisted private sector associations in encouraging major convention consideration of B.C. as a destination.

The servicing of convention submissions by the Ministry increased dramatically in 1985/86 with promotion of the spectacular Vancouver Trade and Convention Centre and the Whistler Convention Centre.

The future for this sector of the industry is very promising. In 1986, it is anticipated that the Province will host the largest number of delegates in the history of conventions in B.C.; however, the Ministry's role will change significantly with the establishment of Conventions B.C. which will assume major responsibility for this area of promotion.

Industry Contact Program

In 1985/86, the Ministry initiated efforts to encourage the provision and exchange of timely ideas with the tourism industry on a more organized basis.

In cooperation with the Tourism Industry Association of British Columbia (TIABC), two major conferences were supported:

— a seminar on the Japanese market was held in Vancouver in November with some 140 representatives of the industry in attendance;

— a "Tourism for Profit" seminar emphasized the business aspects of the tourism industry and was well received by the approximately 70 participants.

The quarterly newsletter, *Tourism B.C. News*, commenced in the spring of 1986. The newsletter is designed to keep the tourism industry and other interested individuals and organizations up to date on the activities of the Ministry. It is distributed to members of the industry as an insert to *Tourism On-Line*, the quarterly publication of TIABC, and to government, media and interested members of the general public on an independent basis. The first issue had a distribution of 2,000 copies.

SuperHost

SuperHost is a hospitality training program designed to raise the level of service provided to the travelling public. Over 35,000 individuals took the eight-hour SuperHost course in 1985/86. The course focusses on hospitality skills, Expo information and local community material, all designed to provide a great vacation experience to the visitor.

Nearly 3,000 businesses have pledged to give fair exchange, good value and friendly service as part of the SuperHost commitment.

Ministry staff have trained nearly 1,000 seminar leaders in 105 communities throughout British Columbia, and an extensive advertising campaign has been carried out to all principal markets to encourage visitors to do business with SuperHosts.

The course is being re-structured in 1986/87 to replace the Expo-related materials with other subject matter. It is estimated that some 50,000 British Columbians will ultimately participate in this program.

Federal-Provincial Funding Agreement

In 1985, the federal and provincial governments signed a $30 million five-year Subsidiary Agreement on Tourist Industry Development. This agreement (TDA) is one part of the $525 million Economic and Regional Development Agreement (ERDA) between Canada and British Columbia and is composed of the following three programs:

(A) ***International Market Development***, with a $6.25 million budget delivered by the federal Department of Regional Industrial Expansion;

(B) ***Product Development***, with a $20 million budget delivered by the Ministry of Industry and Small Business Development. It focuses on the development of destination resorts, events and attractions by providing low-interest loans;

(C) **Tourism Industry Support**, with a $3.25 million budget, delivered by Tourism B.C.

The ***Tourism Industry Support*** program is designed to support the development of management and operations skills in the British Columbia tourism industry by assisting activities such as training and professional development, research and opportunity analysis and the staging of workshops and seminars.

The agreement is jointly managed through a federal-provincial Management Committee. Program guidelines, policies and procedures are in place. Program details as of March 31, 1986 are as follows:

	A	B	C
Enquiries	101	270	68
Applications received	13	39	17
Applications approved:	7	7	6
Applications under review.	2	19	4
Funding approved	$118,211	$1,505,900	$134,800

Research plays a central role in supporting the activities of the Ministry and in monitoring the pulse of the tourism industry.

The effective marketing of British Columbia as a tourism destination depends upon sound market research which describes the attitudes and preferences of tourists. A major study of the Alberta market was completed in 1985/86. The *Alberta Resident Travel Study* confirmed that Albertans are knowledgeable about British Columbia and provided recommendations for ways in which to extend their travel in British Columbia into the shoulder seasons and to areas other than their traditional destinations of the Okanagan and points east. Copies of this report are available from the Queen's Printer, 506 Government Street, Victoria, B.C. V8V 4R6 at a cost of $15.00.

A *Seattle/King County Travel Market Study* was conducted in cooperation with the B.C. Steamship Co. Ltd. and B.C. Ferry Corporation to assess the attractiveness of Vancouver Island as a tourism destination. As a result, tourism agencies and transportation companies servicing Vancouver Island were provided with information to plan marketing strategies to influence travel patterns for 1986 and beyond.

Tourism B.C. has also been involved in a major survey of U.S. residents conducted in 1985 by the federal government. Further market studies will be initiated in 1986 in areas where there is a strong market potential.

Research is also required to assess the feasibility of tourism development opportunities. A study was completed on the freshwater sportfishing industry to examine the potential for further development of this resource. Further research into outdoor/adventure activities is planned for 1986.

Feedback to the tourism industry is provided through the publication of *B.C. Travel Indicators.* Fifteen key indicators of tourism activity are monitored and assessed to assist the industry in evaluating its performance. Three hundred copies of this report are circulated to the industry and other interested parties each month. The format of the *Indicators* was revised in the 1985/86 fiscal year to make it a more easily readable and therefore more useful tool. These indicators are currently being assessed and other measures of industry performance considered with a view to providing an even more complete picture of tourism activity in the future.

Tourism Highlights are produced annually to describe more fully the activity level of the industry and to assess its economic performance. The economic model used to estimate economic activity will also be evaluated and improved in the coming year.

Program evaluation support is being incorporated into the Research activities of the Ministry to assist regional tourism associations and others to evaluate their marketing programs. The "Double Your Pleasure" program sponsored by the Regional Tourism Association of Vancouver Island and supported through the Ministry's Partners in Tourism program was selected as a case study in FY 1985/86. The evaluation demonstrated an economic benefit of $241,000 from Phase I of this effort to increase room sales during the shoulder season.

Expenditure by Program

	1984/85 (Actual) $	1985/86 (Actual Unaudited) $	1986/87 (Budget) $
Minister's Office	139,700	149,183	186,423
GENERAL ADMINISTRATION			
Deputy Minister	288,527	252,877	204,091
Public Affairs	—	147,883	124,152
MANAGEMENT SERVICES			
Executive Director	—	163,324	309,942
Research	360,554	304,918	233,280
Finance	331,671	284,386	260,286
Personnel	85,382	77,609	71,242
Administration Services (incl. Ministry accommodation and data processing equipment)	1,010,616	1,083,132	2,127,133
Sub Total Management Services	1,788,223	1,913,369	3,001,883
Sub Total General Administration	2,016,750	2,314,129	3,330,126
MARKETING			
A.D.M. Marketing	123,447	1,688,056	6,019,925[a]
Marketing Administration	—	—	186,500
Market Support	867,140	1,300,669	547,827
Domestic Marketing	2,004,212	1,895,315	4,452,660[b]
International Marketing	135,459	271,569	262,681
U.S. Marketing	336,534	484,557	418,015
B.C. Film Commission	166,353	183,803	192,046
Sub Total Marketing	3,633,145	5,823,969	12,079,654
DEVELOPMENT	1,225,624[c]	2,106,374[c]	1,783,437
Medical Expenses — Foreign Offices	22,505	6,444	—
Direct Ministry Total	7,037,724	10,400,099	17,379,640
Advertising	7,693,000[d]	8,877,339[d]	— [a]
Total Ministry Expenditure	**14,730,724**	**19,277,438**	**17,379,640**

(a) Advertising monies previously centralized within the Ministry of Provincial Secretary and Government Services will be incorporated into the Ministry's allocation for 1986/87.
(b) Increases in 1986/87 reflect the "Partners in Tourism" program monies which are centralized within Domestic Marketing.
(c) Reflects new organizational structure.
(d) Advertising monies are currently centralized within the Ministry of Provincial Secretary and Government Services, Government Information Services Branch.
(e) The Ministry utilized 117 Full Time Equivalent staff in 1985/86 and has 115 Full Time Equivalent staff approved in its 1986/87 fiscal year.
(f) Reflects the discontinuation of direct program delivery and educational services course fees.

Expenditure by Type

	1984/85 (Actual)[e] $	1985/86 (Actual Unaudited) $	1986/87 (Budget) $
Salaries and Benefits	2,989,702	3,544,506	3,556,753[e]
Travel	226,654	311,081	377,500
Other Operating Expenditures	2,862,564	3,743,568	8,549,887
Building Occupancy Charges	767,042	829,325	769,000
Grants and Contributions	782,475	1,971,619	4,126,500
Recoveries	(590,713)	—	—
Direct Ministry Total	7,037,724	10,400,099	17,379,640
Advertising	7,693,000	8,877,339	— [a]
Total Ministry Expenditure	**14,730,724**	**19,277,438**	**17,379,640**

Revenue

Tourism Accommodation Guide Registration Fees	50,095	47,810	50,000
Educational Services Course Fees	6,185	500	— [f]
Total Direct Revenue	**56,185**	**48,310**	**50,000**

Note: The financial statements contained in this annual report have been prepared by management in accordance with the accounting policies adopted by the Province of British Columbia. Management is responsible for the accuracy, integrity and objectivity of the information contained in these statements. Management maintains an extensive system of internal accounting controls to ensure that transactions are completely and accurately recorded on a timely basis, are properly approved and result in reliable financial statements.

These statements are incorporated in the combined financial statements of the Province, which are examined by the Auditor General. The Auditor General expresses an opinion as to whether the combined financial statements present fairly the financial position, operating results and changes in financial position of the Government of the Province of British Columbia in conformity with stated accounting policies. This opinion is contained in the Auditor's Report which is included in the Public Accounts presented to the Legislative Assembly. At this time, however, the audit examination leading to this opinion is not yet complete.

TOURISM ASSOCIATIONS

The tourism industry in British Columbia is divided into nine geographical regions as indicated in the map below. Activities within each region are coordinated by a regional association, as outlined on the facing page.

Other Industry Associations

Members of regional associations may also be members of sectoral associations, such as the Hotels Association; the Motel, Resorts Association; the Restaurant and Food Services Association, and a host of others grouped together by sphere of interest.

Advice and direction for the Minister and the Ministry are provided on a regular basis by the Provincial Tourist Advisory Council (P.T.A.C.), a body established by the *Ministry of Tourism Act*. This Council, with representatives from major sectoral and regional associations as well as a variety of individuals influential in the British Columbia tourism industry, met with the Minister twice in 1985/86 and is performing a valuable function as a forum for the exchange of information and ideas vital to the health of the tourism industry.

Tourism B.C. also maintains close links with the Tourism Industry Association of B.C. (TIABC), an umbrella organization representing a wide range of sectoral and regional associations, through joint projects such as the newsletter and conference program as well as on an ongoing basis.

Regional Tourism Associations

TOURISM ASSOCIATION OF VANCOUVER ISLAND — REGION A
Penthouse, 6th fl., 612 View Street
Victoria, British Columbia, V8W 1J5

— President: Murray Hamilton	(Parksville)	248-8333
— Managing Director: Joyce Brookbank	(Victoria)	382-3551

TOURISM ASSOCIATION OF SOUTHWESTERN B.C. — REGION B
Box 48610, Bentall P.O.
(2nd Floor, 1425 West Pender Street)
Vancouver, British Columbia, V7X 1A3

— President: John Allen	(Harrison Hot Springs)	796-9117
— Managing Director: John Jennings	(Vancouver)	688-3677

OKANAGAN SIMILKAMEEN TOURIST ASSOCIATION — REGION C
207 — 347 Leon Avenue
Kelowna, British Columbia, V1Y 8C7

— President: Garry Sharpe	(Penticton)	493-8121
— Regional Manager: Deanna Merrick	(Kelowna)	861-8494

KOOTENAY COUNTRY TOURIST ASSOCIATION — REGION D
Site 2 — 11 (Castlegar Airport), R.R. 1
Castlegar, British Columbia, V1N 3H7

— President: Chuck Truscott	(Creston)	428-4983
— Regional Manager: Roy Shields	(Castlegar)	365-8486

HIGH COUNTRY TOURISM ASSOCIATION — REGION E
P.O. Box 926 (Suite 386, 186 Victoria Street)
Kamloops, British Columbia, V2C 5N4

— President: Glen Charlesworth	(Kamloops)	374-4164
— Manager: Vacant	(Kamloops)	372-7770

CARIBOO TOURIST ASSOCIATION — REGION F
P.O. Box 4900 (6 — 160 Oliver Street)
Williams Lake, British Columbia, V2G 2V8

— President; Hans Dankel	(100 Mile House)	395-4096
— Managing Director: Gordon Finlay	(Williams Lake)	392-2226

NORTH BY NORTHWEST TOURISM ASSOCIATION OF BRITISH COLUMBIA — REGION G
P.O. Box 1030 (3840 Alfred Street)
Smithers, British Columbia, V0J 2N0

— President: Virginia Lowrie	(Terrace)	635-7411
— Manager: Vacant	(Smithers)	847-5227

PEACE RIVER/ALASKA HIGHWAY TOURIST ASSOCIATION — REGION H
P.O. Box 6850
Fort St. John, British Columbia, V1J 4J3

— President: Rose Wilson	(Dawson Creek)	782-7173
— Tourist Coordinator: Vacant	(Fort St. John)	785-2544

ROCKY MOUNTAIN VISITORS ASSOCIATION OF BRITISH COLUMBIA — REGION I
P.O. Box 10 (495 Wallinger Avenue)
Kimberley, British Columbia, V1A 2Y5

— President: Mike Smith	(Invermere)	345-6363
— Managing Director: Don Foxgord	(Kimberley)	427-7469

Tourism Act: The mandate of the Ministry of Tourism is found in the *Ministry of Tourism Act*, B.C. 1980, Ch. 33, which states the Ministry's role as:

(1) to promote and encourage the tourist industry in British Columbia;

(2) to provide tourists with information services; and

(3) to encourage the development of the motion picture industry in the Province.

The Ministry's Goal for management and operational purposes is to develop and increase the value of tourism in British Columbia.

The Ministry Objective is to increase gross provincial revenues from tourism by increasing the number, average length of stay, and per diem expenditure of travellers.

The approaches used by the Ministry to achieve these ends involve:

(a) Marketing — to utilize fully the existing capacity of the B.C. travel industry by marketing B.C. directly as a travel destination and by assisting the industry in making its marketing more effective; and

(b) Development — to help make the B.C. tourism industry more attractive and competitive by promoting and facilitating improvements, new developments and major initiatives.

In the Ministry's view, the development and marketing of the B.C. travel industry is primarily a private sector responsibility. The Ministry, therefore, accomplishes its objectives by working with and assisting the B.C. travel industry in a number of ways including:

— researching the size and nature of British Columbia's major tourism markets;

— identifying strategies that will be most effective in increasing British Columbia's share in these markets;

— assisting in marketing the Province's tourism assets and the existing capacity of the B.C. tourism industry; and

— assisting the B.C. tourism industry in developing new and more competitive facilities, attractions and services.

Coordination Role: The Ministry of Tourism has a distinct role to play as the principal integrating agency on the tourism scene. Utilizing its limited resources and the variety of expertise available in the field, provincial objectives can best be achieved by making optimum use of the resources available in the private sector and by facilitating and coordinating the activities of the private sector and government at municipal, provincial and federal levels.

As the tourism industry assumes an increasingly important role in the Province's and the country's economies, it becomes even more important to ensure that efforts are integrated and duplication is eliminated. The Ministry of Tourism is well placed to provide a leadership role in ensuring that issues of vital concern to the tourism industry are addressed in a coordinated and systematic fashion.

Other Acts Administered: In addition to the *Ministry of Tourism Act*, the Ministry is responsible for the administration of the following:

- *Travel Regulation Act*, R.S.B.C. 1979, Ch 410: An act to provide Cabinet with the authority to make regulations regarding tourist accommodation, to establish standards for classification, and to establish the Provincial Tourist Advisory Council.
- *Hotel Keepers Act*, R.S.B.C. 1979, Ch. 182: An Act regarding the rights and liability of hotel keepers with respect to the property of their guests.
- *Hotel Guest Registration Act*, R.S.B.C. 1979, CH. 182: An Act requiring the registration of hotel guests.

Marketing

Assistant Deputy Minister: Virginia Greene

The **objective** of the Marketing Division is to increase the volume of tourism activity to and within the Province. Strategies and programs are directed to British Columbia's strength markets and are driven by a knowledge based on up-to-date research of British Columbia's customers and their preferences.

Markets, in order of priority, are British Columbia residents, Alberta, Ontario, Washington and California. Overseas markets of note include the United Kingdom, West Germany and Japan. While "fishing where the fish are", the Ministry is always watchful for development markets which today include various U.S. states, Australia, Korea and Hong Kong.

Market programs include consumer and trade advertising; brochures or publications for both consumers and trade travel professionals; representation at travel trade shows and fairs; educational tours around British Columbia for travel media, wholesalers and retail travel agents; and a variety of promotions designed to highlight British Columbia as a desired travel destination.

Sales offices in London, England; Los Angeles, San Francisco and Seattle work with both media and travel industry representatives to promote new products and services and maintain awareness of British Columbia as an attractive place to travel.

Travel Infocentres within British Columbia provide visitors with detailed planning information on the Province and its regions. Their purpose is to encourage travellers to stay a little longer and see a little more.

The Marketing Division, through the **B.C. Film Commission,** promotes British Columbia as a film location which offers trained crews, diverse locations and a favourable exchange rate. The Commission also provides service to pictures being filmed in British Columbia.

The **Convention Sales Office** works with industry to sell British Columbia as a venue for meeting and convention travel. Programs include promotion of the destination, assistance in bid preparation and servicing of conventions taking place in the Province.

Objectives for 1986/87 include developing a professional marketing plan and building on the high profile provided to British Columbia by Expo 86.

Development

Assistant Deputy Minister: James Doswell

The Development Division was established:

(1) to facilitate and support tourism development throughout British Columbia in cooperation with the private sector and all levels of government;

(2) to stimulate and encourage the development of competitive and innovative tourism product in response to market demand; and

(3) to ensure visitor satisfaction through the maintenance and improvement of standards and service levels.

A New Approach to Development

The Development Division's activities and resources are directed almost exclusively to individual development projects designed to accomplish specific measurable results in three areas:

(1) the creation or improvement of tourism destination areas;

(2) the development or improvement of travel routes; and

(3) the establishment or improvement of industry management services.

The Division's approach is to work collaboratively with and use the resources already available within other provincial government ministries, other levels of government, government agencies and the private sector.

The Division employs Development Project personnel on both a permanent and contract basis to manage projects accepted by the Ministry. Development Project staff may include professionals with backgrounds and expertise in the legal, financial, urban land use, development, marketing and business management areas.

Other Development Services

Accommodation Services

The Development Division includes the Accommodation Services Branch which is responsible for the registration and counselling program for the accommodation sector and the production of the accommodation guide.

It is intended that responsibility for the accommodation inspection program and for the delivery of other programs operated as pilot projects by the Ministry will eventually be assumed by a private or industry-sponsored organization.

Development Information Services

Information services provided by the Development Division to the industry include advice on:

— government assistance programs available to individuals or businesses in the tourism industry;

— industry studies, research reports and self-help publications available and how they can be obtained;

— industry-related training programs; and

— service organizations or agencies which could provide assistance.

General

The Development Division also represents the Ministry in its relations with the B.C. Transportation Heritage Centre, Royal Hudson Steam Train Society and Sports Fishing Advisory Board.

Public Affairs

Director: Lynda Cronin

The Public Affairs Division is the focal point within the Ministry for liaison with the provincial tourism industry. As such, it is responsible for the activities of the Provincial Tourist Advisory Council and for ensuring the coordination of appropriate responses to industry concerns. It acts as the Ministry's major point of contact with the Tourism Industry Association of B.C. and is responsible for the Ministry newsletter and conference program.

The Division has responsibility for the conduct of general press and public relations of the Ministry and plays a coordinating role for Ministry activities, particularly in the area of federal-provincial relations and the preparation of briefing materials for the Minister and Cabinet.

Management Services

Executive Director: Evelyn Greene

The Management Services Division directs the development and maintenance of management support systems to achieve optimum allocation of the Ministry's fiscal, physical, management information and human resources. It is divided into four functional areas:

— Research Services
— Financial Services
— Personnel Services
— Administration Services.

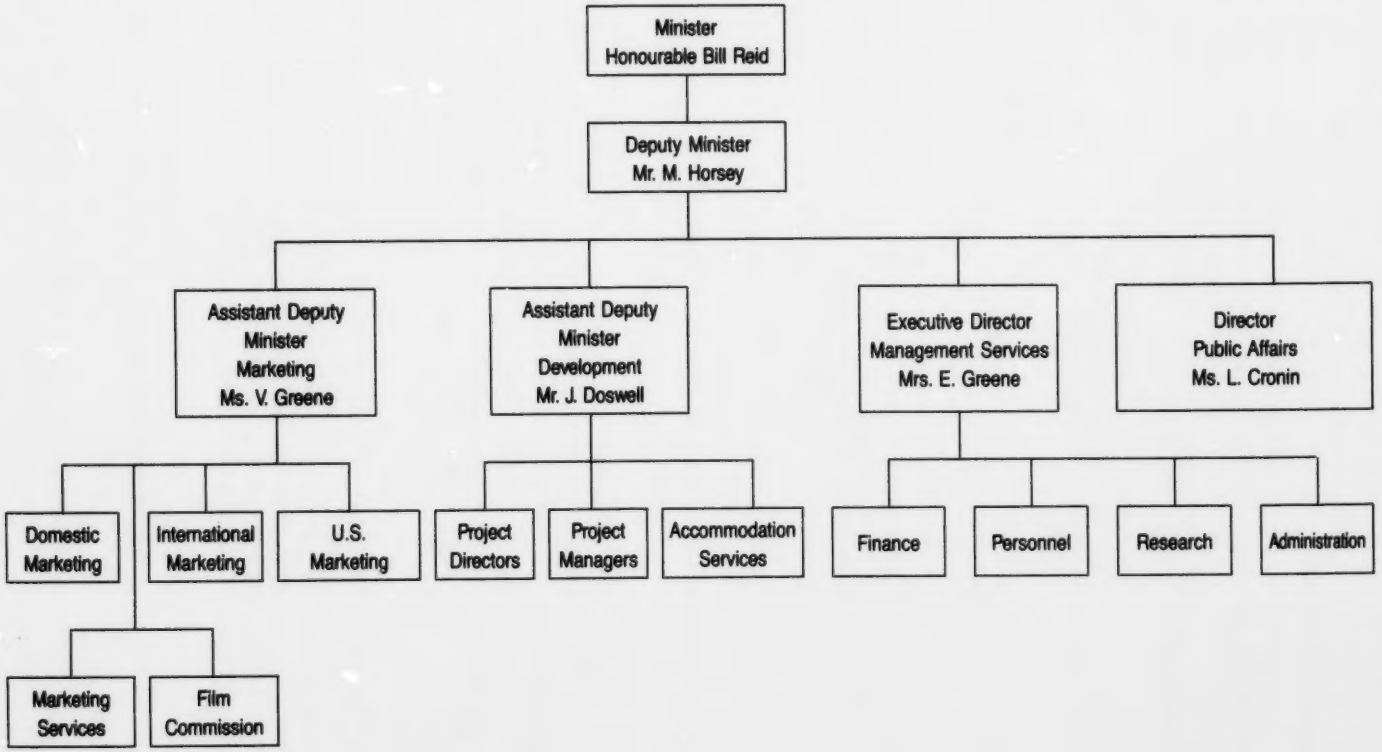
Research Services: This Branch of the Ministry is responsible for developing and managing the Ministry's research program which includes market studies and monitoring and reporting the monthly performance of the tourism industry.

Financial Services: The Financial Services Branch is responsible for developing and managing a comprehensive financial administration and management information system and for managing financial and accounting programs for purposes of asset and expenditure control.

Personnel Services: The Personnel Services Branch is responsible for developing and coordinating a comprehensive personnel management program to ensure the enhancement and effective utilization of the Ministry's human resources. This includes providing technical advice and assistance on recruitment and selection, labour relations, staff training and human resources planning.

Administration Services: The Division also provides technical and administrative support to the Ministry in management and control of office space, vehicle pool, furniture and equipment, and records management. Key projects include the continued implementation of the Ministry's Information Systems Plan, in which the Ministry is successfully moving through word processing into an office automation/data processing environment.

BRITISH COLUMBIA MINISTRY OF TOURISM
ORGANIZATION STRUCTURE



Victoria Address: 1117 Wharf Street, Victoria, B.C. V8W 2Z2
Vancouver Address: #802—865 Hornby Street, Vancouver, B.C. V6Z 2G3

Minister's Office

Room 323, Parliament Bldgs., Victoria, B.C. V8V 1X4

Minister	Bill Reid	387-1201
Minister's Secretary	Virginia Adrian	387-1201
Ministerial Assistant	Doug Harms	387-1201
Secretarial	Adrienne Vermette	387-1201
	Leslie Symes	387-1201

Deputy Minister's Office (Victoria)

Deputy Minister	Michael Horsey	387-1906
Secretary	Lisa Friedli	387-1906

PUBLIC AFFAIRS (Victoria)

Director	Lynda Cronin	387-1311
Writer	Francesca Gonsalves	387-1311
Secretary/Assistant	Tricia Vesey	387-1311

Development Division (Victoria)

Assistant Deputy Minister	Jim Doswell	387-6929
Secretary	Coral Carter	387-6929
Tourism Development Directors	Rick Lemon	387-1533
	Wayne Carter	387-1533
Tourism Development Managers	Wanda Hook	387-1533
	Frank Hussey	387-1533
	Barry Lee	387-1533
	Jim Majcher	387-1533
	Doug White	387-1533
Financial Officer	Bob Schuring	387-1533
Accommodation Manager	Fred Colthorpe	387-1533
Accommodation Counsellor	David Tomljenovich	387-1533

Accommodation Counsellor — Cranbrook: 117—10th Ave. South, Cranbrook, B.C. V1C 2N1

	Barry Beaulac	489-3521 Local 308
Office Supervisor	Donnie Brokenshire	387-1533
Secretarial	Vicki Hudson	387-1533
	Kathleen O'Neill White	387-1533
	Nicolette Miller	387-1533
	Teresa Courser	387-1533
	Renee Fekete	387-1533

Marketing Division (Vancouver)

Assistant Deputy Minister	Virginia Greene	660-2861
Secretary	Annabel Mitchell	660-2861
Administration		
Office Manager	Kathy Ferguson	660-2861
Receptionist	Pat Brodie	660-2861
Program Assistants	Doris Pfister	660-2861
	Cindy Nielson	660-2861
Administration Clerk	Cathy Wilson	660-2861
Financial Clerk	Gayle Robinson	660-2861
DOMESTIC MARKETING (VANCOUVER)		
Director	Jim Lawson	660-2861
Secretary	Ann Richardson	660-2861
Visitor Services (Victoria)		
Manager, Visitor Services	Gail Dennison	387-6371
Secretary	Joanie Trowsdale	387-6371
Supervisor	Valarie Timothy	387-1642
Senior Travel Counsellor	Fraser Argue	387-1642
Brochure Coordinator	Margaret Pepper	387-1642
Travel Counsellor	Cathy Francis	387-1642
Travel Counsellor	Brenda Baceda	387-1642
Travel Counsellor	Ada Prince	387-1642
Distribution Clerk	Richard Lewis	387-1642
Travel Counsellors: 800 Robson Street, Vancouver, B.C. V6Z 2C5		
Supervisor (acting)	Benita Jekubik	660-2300
Travel Counsellors — Out of Town — Abbotsford: Highway 1, west of Abbotsford, Box 321, Abbotsford, B.C.		
Supervisor	Bob Dykes	856-5151
Douglas: 356 King George Hwy., R.R. #7, White Rock, B.C. V4B 5A8		
Supervisor	Joan LaBrosse	531-4442
Airport: Vancouver International Airport, Level 2, Arrivals		
Supervisor	Jim Wilson	273-1648
Burnaby Warehouse: Suite 101, 4570 Canada Way, Burnaby, B.C. V5J 1J7		
Acting Supervisor	Philip Campbell	430-0162
UNITED STATES MARKETING (VANCOUVER)		
Director	Wendi Copeland	660-2861
Secretary	Karen McLaughlin	660-2861
Seattle: Tourism B. C., 720 Olive Way, Seattle, Washington, 98101		
Sales Manager	Karyl Pagel	206-623-5937
Travel Counsellor	Kerry Mothershead	206-623-5937
Travel Counsellor	Kelly Miller	206-623-5937
San Francisco: Tourism B.C., 100 Bush Street,San Francisco, CA 94104		
Sales Manager	Jack Dawson	415-981-4780
Travel Counsellor	Jean Ohman	415-981-4780
Los Angeles: Tourism B.C., #34-3400 Wilshire Blvd., Los Angeles, CA 90010		
Sales Manager	John Bateman	213-380-9171
Secretarial	Marilyn Doerhing	213-380-9171

INTERNATIONAL MARKETING (VANCOUVER)		
Director	Jim Willis	660-2861
Secretary	Ann Richardson	660-2861
London: Tourism B.C., 1 Regent Street, London,	England, SW1Y 4NS	
Sales Manager	Brian Sedgeley	01-930-6857
Secretarial	Julie Preedy	01-930-6857
MARKETING SERVICES (VANCOUVER)		
Director	Dave Henderson	660-2861
Secretary	Karen McLaughlin	660-2861
Manager, Conventions & Incentive Travel	Rob Tivy	660-2861
Manager, Trade Sales	Craig Strickland	660-2861
Manager, Familiarization Tours	Donna Dornik	660-2861
Manager, Promotions	vacant	660-2861
Manager, Media Relations	LaVerne Barnes	660-2861
Coordinator, Advertising and Publications (Acting)	Jill Jacobsen	660-2861
B.C. FILM COMMISSION (VANCOUVER)		
Commissioner	Dianne Neufeld	660-2732
Production/Location Consultant	Brent Clackson	660-2732
Information Officer	Jennifer Ballou	660-2732
Secretary	Vicki Parton	660-2732
Management Services (Victoria)		
Executive Director	Evelyn Greene	387-1428
Secretary	Patti Clark	387-1428
Receptionist	Irene Fylling	387-1428
Research		
Director	Jim Lee	387-1428
Secretary	Lois Grimshaw	387-1428
Senior Research Officer	Joan Verwoord	387-1428
Research Officer	vacant	387-1428
Financial Services		
Director, Financial Services	Marr Henderson	387-1428
Secretary	Colleen Wilson	387-1428
Manager, Policy, Systems and Audit	Bruce Cale	387-1428
Manager, Operations	Ron Burnett	387-1428
Operations Staff	Gerry Henderson	387-1428
	Shirley Orrick	387-1428
	Suzanne Follows	387-1428
	June Olsen	387-1428
Personnel		
Director	Gary Loat	387-1428
Personnel Technician	Linda Long	387-1428
Administration		
Administration Coordinator	Jan Evans	387-1428
Administration Assistant	Bianca Turcotte	387-1428